

Sustainable Development at Allianz

Nomura European SRI Conference
Paris, 23rd May 2013

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- 1 About Allianz
- 2 Sustainability strategy and management
- 3 Sustainability performance
- 4 Further information

Key figures at a glance¹

EUR **106.4bn** total revenues

EUR **1,934bn** AuM²

EUR **9.5bn** operating profit³

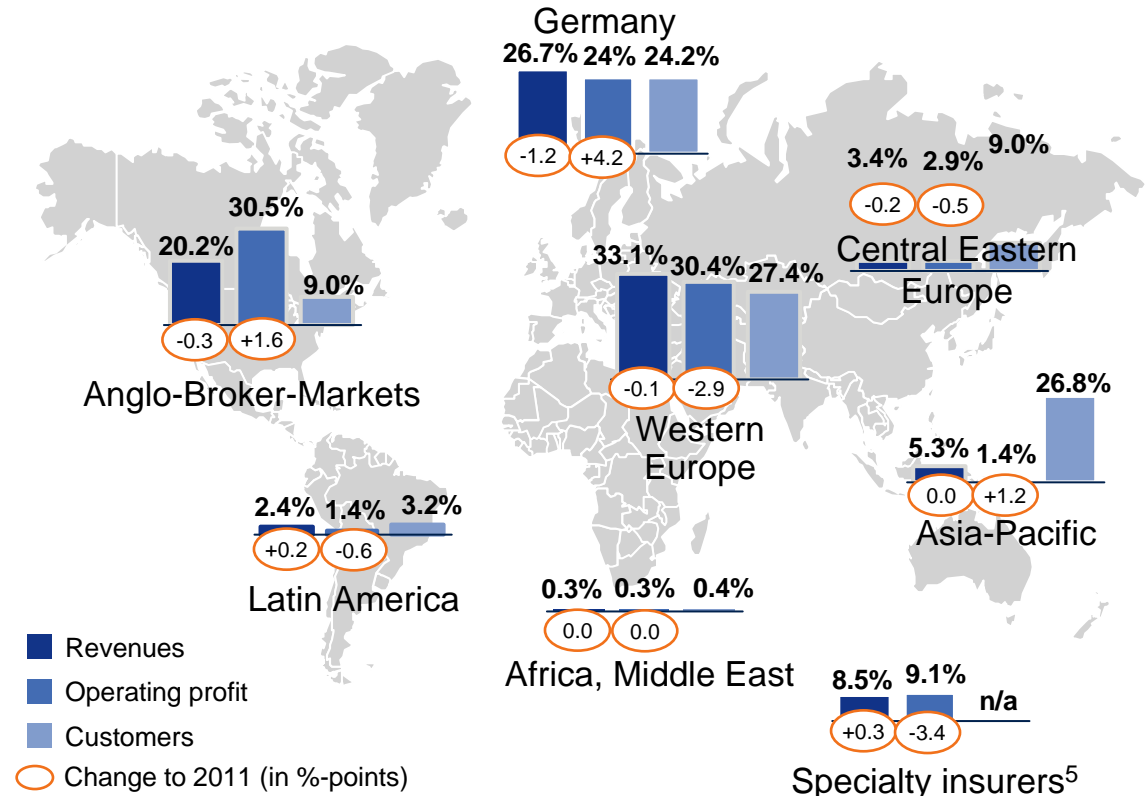
183% FCD solvency ratio²

EUR **48.3bn** market cap²

Approximately **78mn** customers

Present in over **70** countries

Split of revenues, operating profit³ and customers⁴



1) Figures as per 12M 2012

2) As of March 31, 2013

3) Adjusted operating profit of 2012 EUR 9.2bn after the classification of restructuring costs as operating, reflected in the split

4) Customer figures including non-consolidated companies

5) Allianz Global Corporate & Specialty, Euler Hermes, Mondial Assistance, ART

Strong market positions and brands¹

- Leading P/C insurer globally
- Top 5 in Life business globally
- Top 5 asset manager globally
- Largest global assistance provider
- Worldwide leader in credit insurance
- One of the leading industrial insurers globally
- Building the leading global automotive provider

Allianz 

Allianz 

Global Investors

P I M C O

Allianz 

Global Assistance

 EULER HERMES

Allianz 

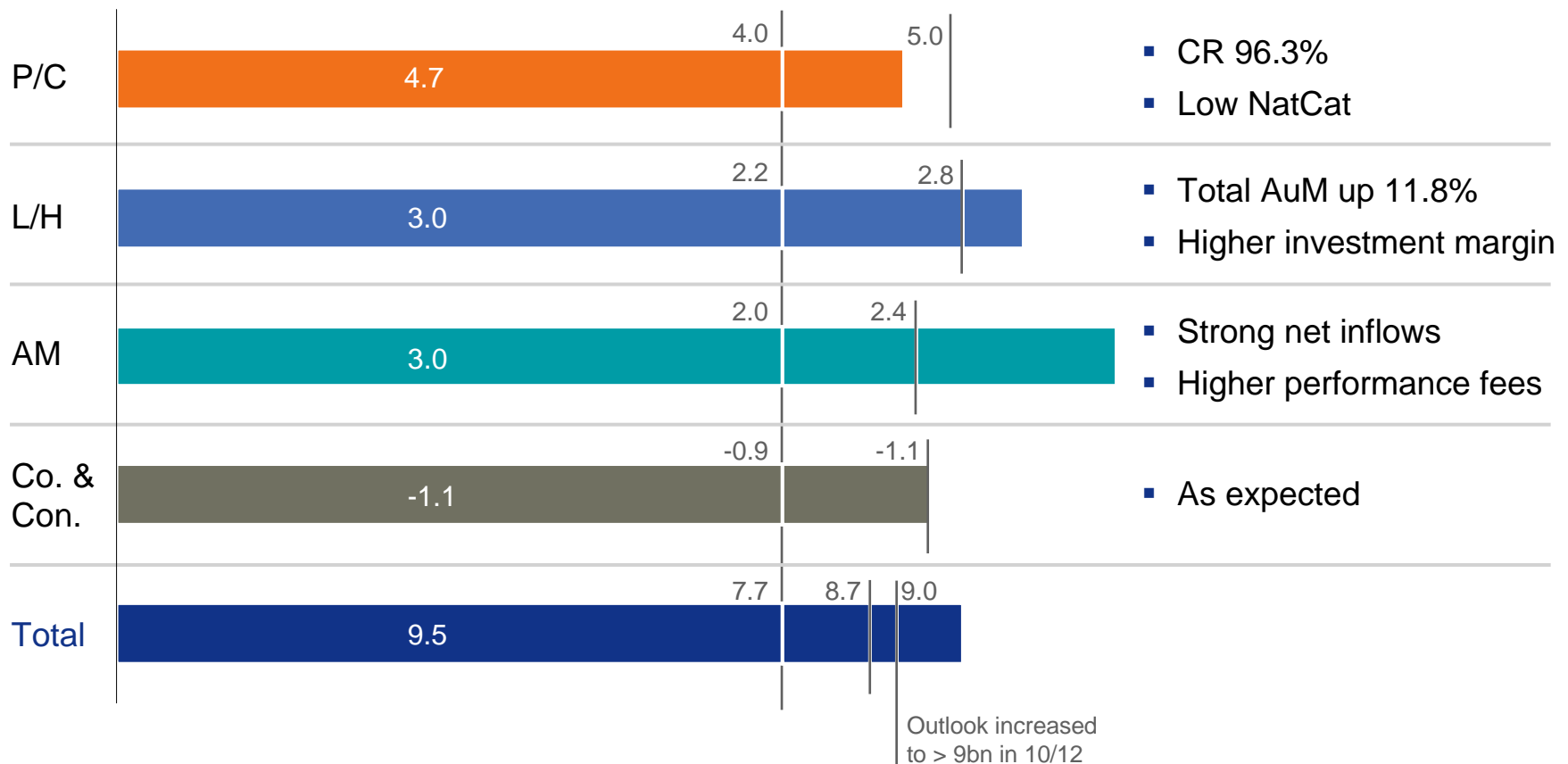
Global Corporate & Specialty

1) All rankings based on 2012 data

Strong results in 2012 ...

Operating profit 2012 (EUR bn)

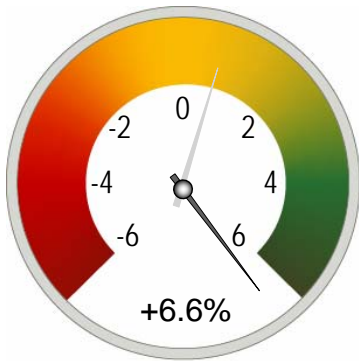
Target range published 02/12



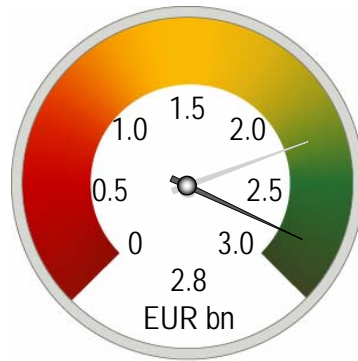
... and in 1Q13 as well ...

Group¹

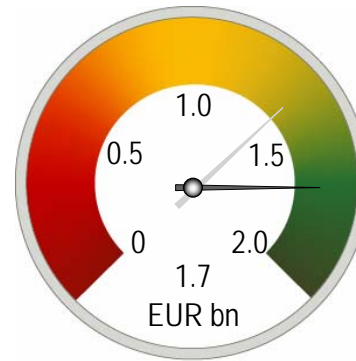
Growth



Operating profit



Net income²

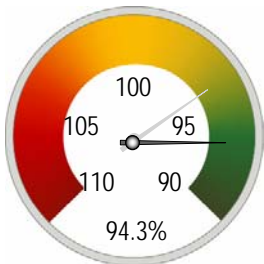


Dividend³

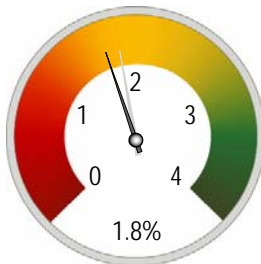


Segments¹

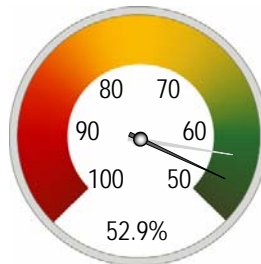
P/C CR



L/H NBM

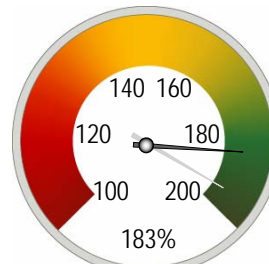


AM CIR

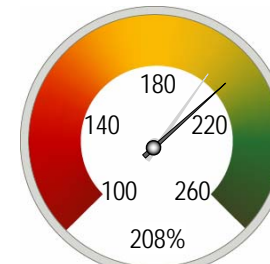


Capital¹

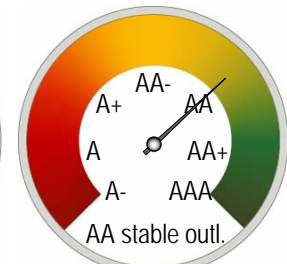
External solvency⁴



Internal solvency



Rating⁵

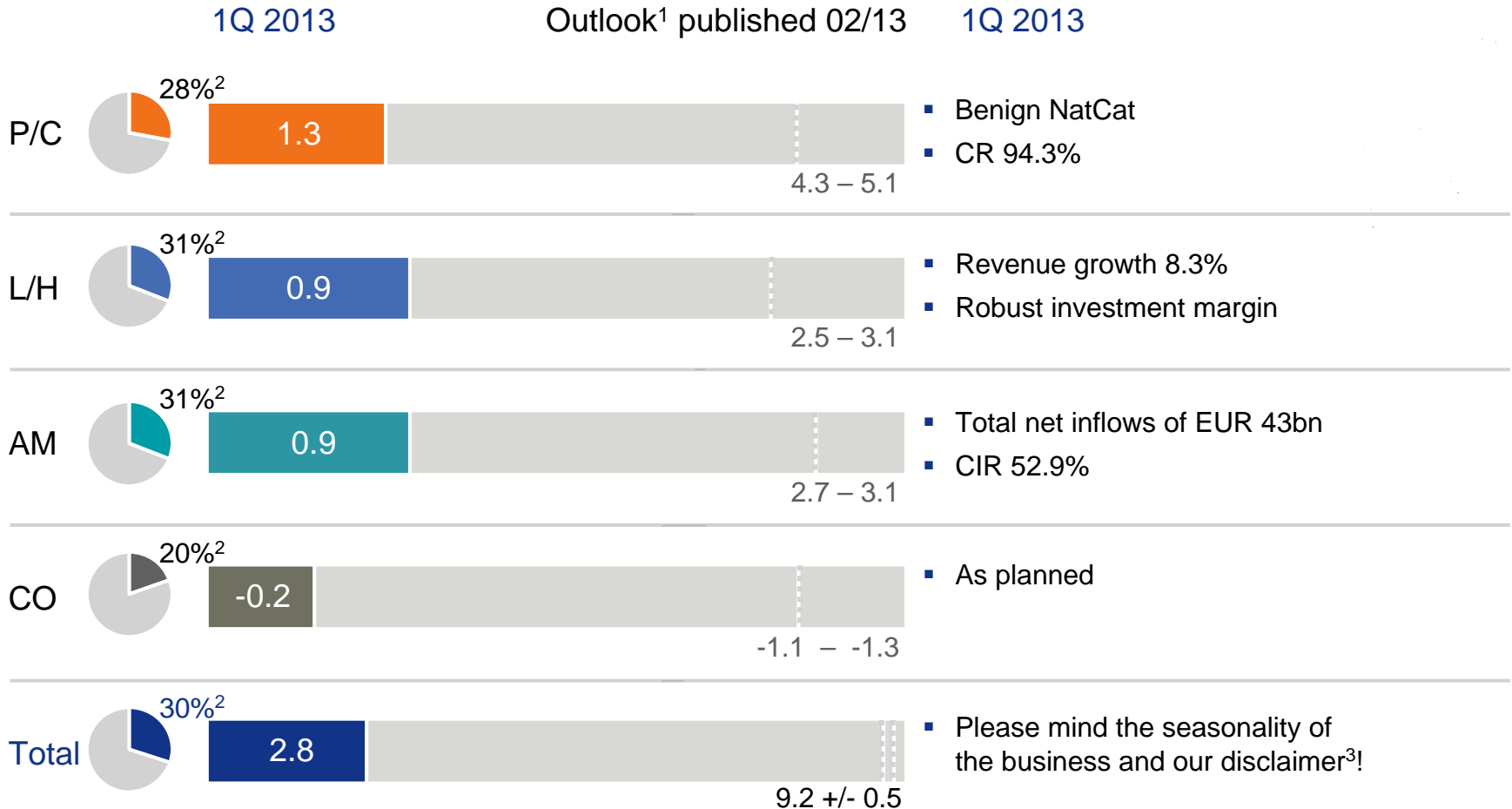


1) Grey hands show previous year's values / values end of 2012 in case of capital figures
 2) Shareholders' net income
 3) Dividend paid in 2013 for FY2012

4) According to Financial Conglomerates Directive
 5) According to Standard & Poor's

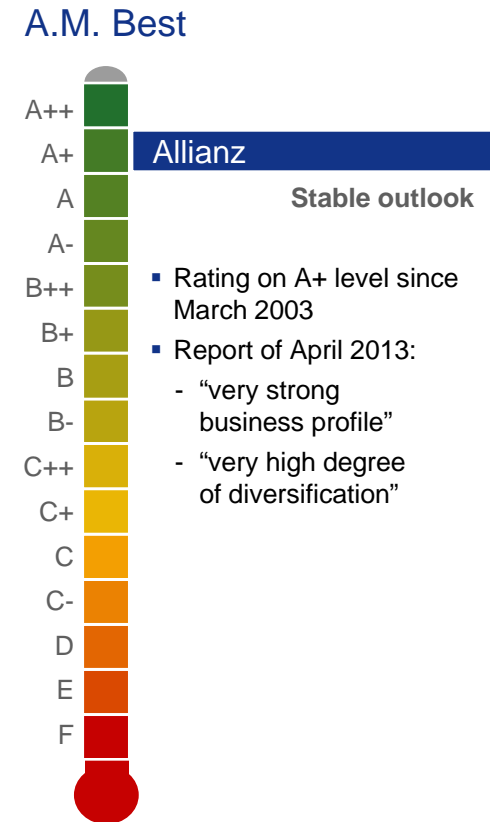
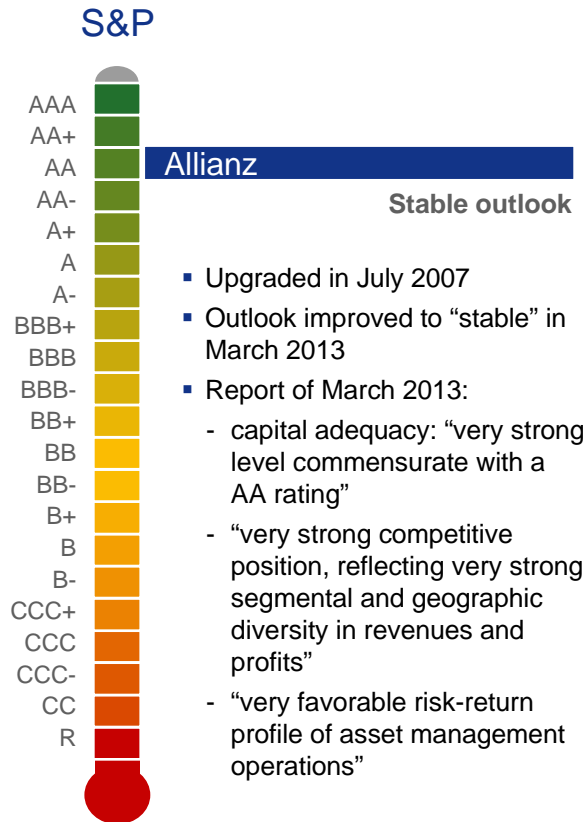
... being well on track to meet the outlook for FY2013

Operating profit (EUR bn)



1) For FY 2013
 2) As % of target range mid-point
 3) Disclaimer: impact from NatCat, financial markets and global economic development not predictable!

Excellent ratings¹

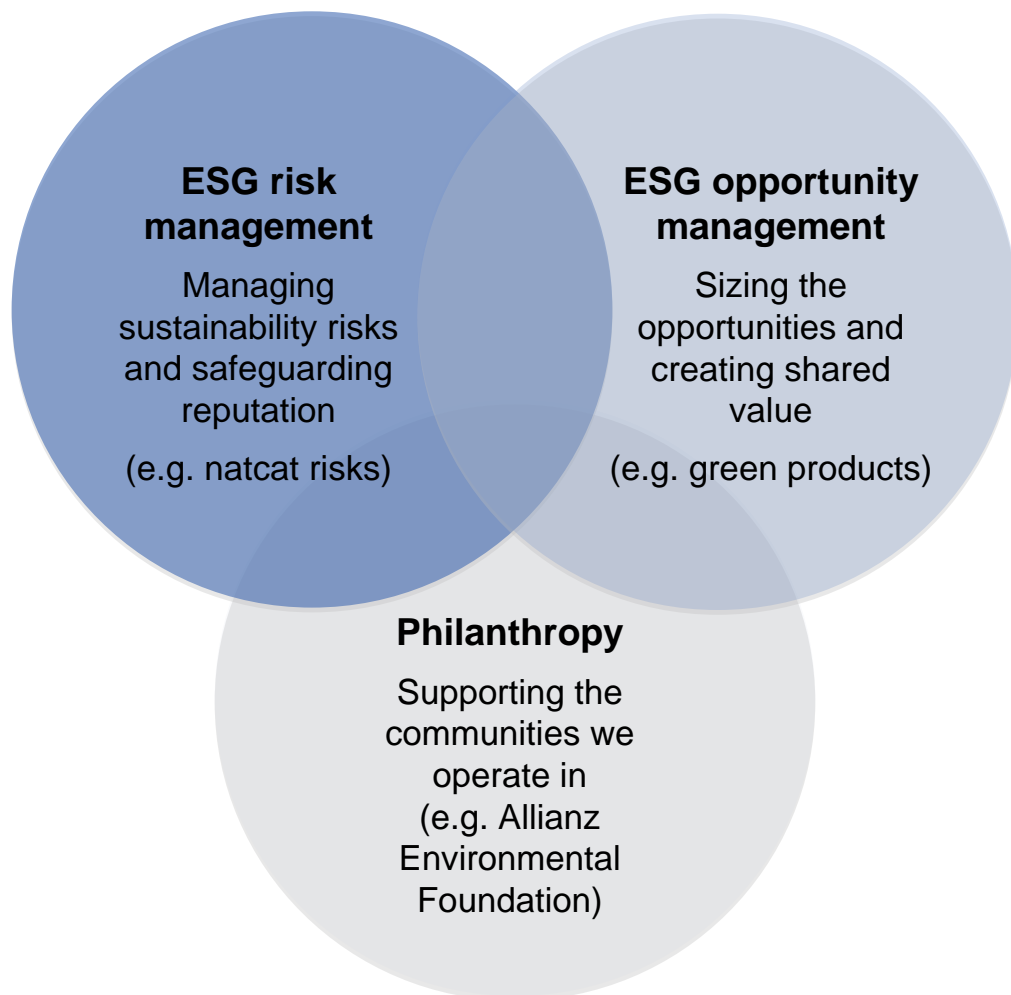


1) Financial strength ratings as of May 17, 2013

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Sustainability at Allianz: managing the risks and sizing the opportunities to ensure sustainable and profitable growth



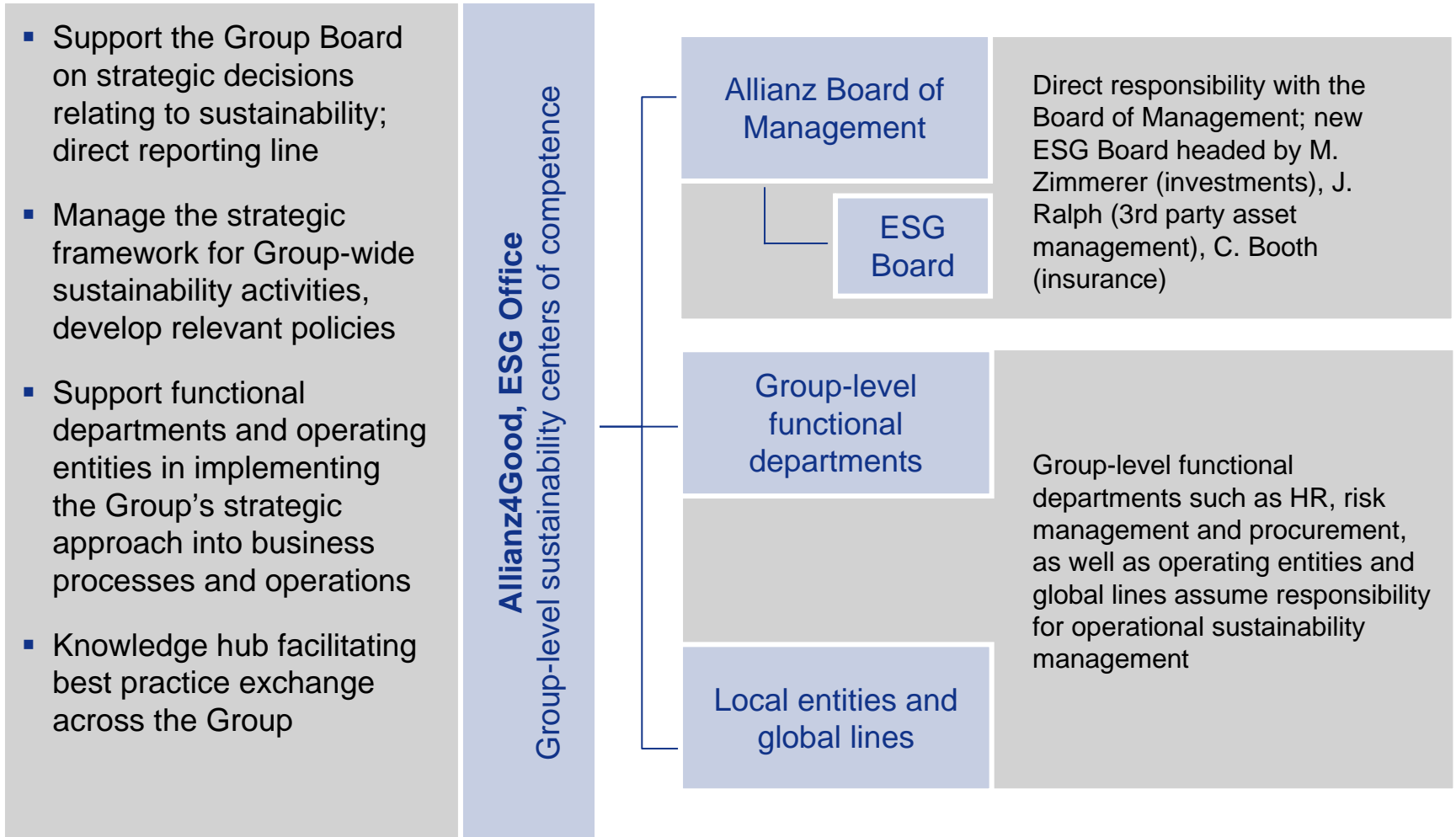
The three dimensions of Allianz' approach to sustainability

Risks: We are managing ESG risks as part of our core business processes, as a large insurer and institutional investor, risk management is our core competency

Opportunities: We are seizing commercial growth opportunities social and environmental considerations create

Philanthropy: With a presence in around 70 markets globally we take our responsibility towards society seriously, we use our core competencies to address critical social and environmental needs

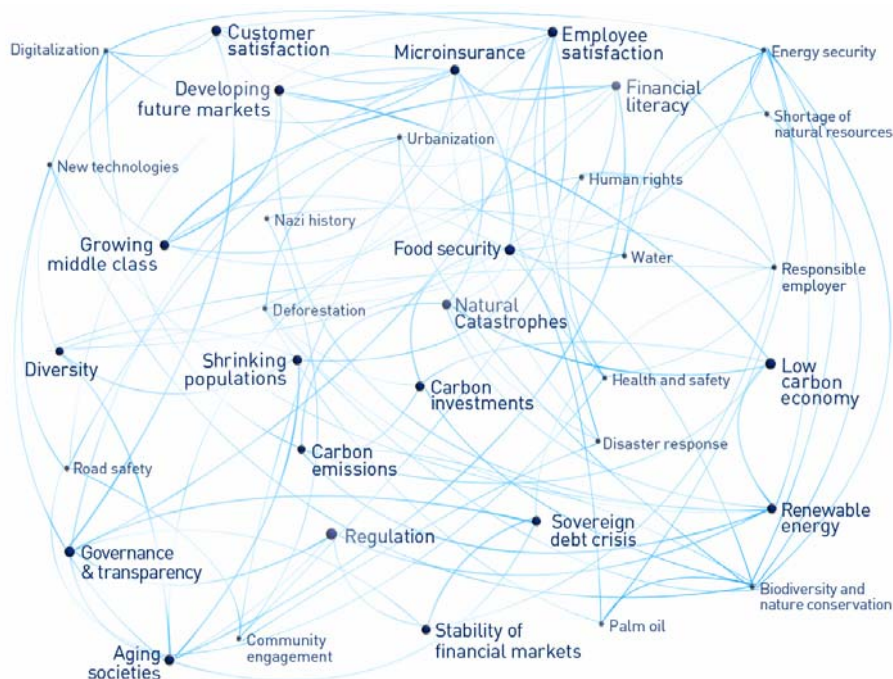
We take an integrated approach to managing sustainability in the business



Allianz' sustainability agenda driven by materiality

Allianz materiality landscape

Issues are often directly or indirectly linked, we want to make the complexity transparent and comprehensible



- Regular identification, prioritization and validation of issues of material importance
- Material sustainability issues determined by our business model and stakeholder expectations
- Regularly engagement with stakeholder groups at global and local levels to understand their expectations and concerns
- Understanding of materiality is also informed by international standards and guidelines for sustainability
- We communicate in a transparent way to our stakeholders how the issues impact on our business and our activities, and our response to them

The four dimensions of Allianz' sustainability strategy: our EESG approach

“ Sustainable development at Allianz means combining long-term **economic** value creation with a holistic approach to **environmental stewardship, social responsibility** and **corporate governance**. ”

Economic

- Customer satisfaction and brand value
- Renewable energy & carbon investments
- Green products & services
- SRI
- Microinsurance

Environmental

- Carbon reduction strategy & target
- Environmental footprint

Social

- Diversity
- Compensation
- Employee training & development
- Employee satisfaction
- Corporate donations
- Employee volunteering

Governance

- Corporate governance
- Compliance training & programs
- Lobbying activities & political donations

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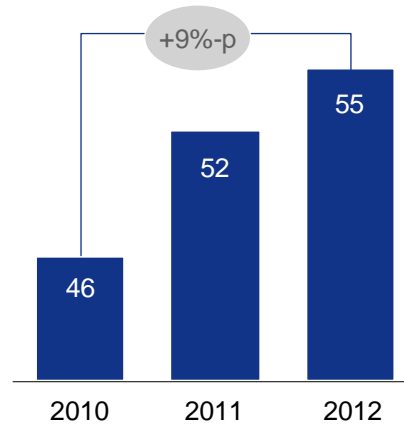
Economic

The economic dimension of sustainability

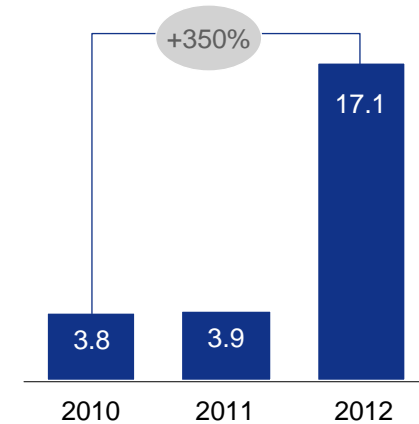
Customers

- More satisfied customers compared with peers in 55% of our markets, Allianz loyalty leader in 30% (2011: 28%) of our markets

Net promoter score [% of markets]



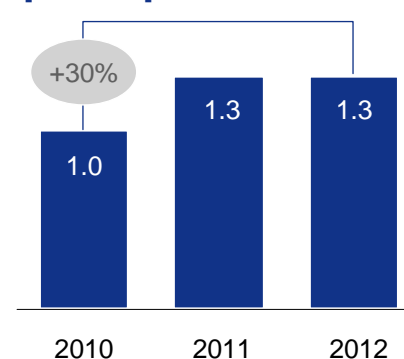
Microinsurance customers [million]



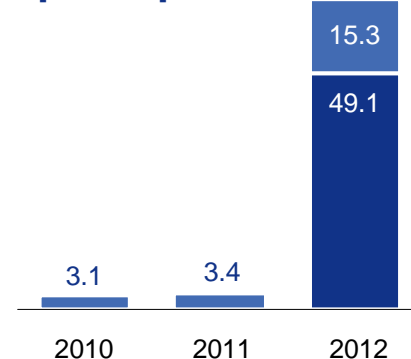
Products and services

- More than 130 green products and services offered from asset management to insurance
- India was the biggest growth market for microinsurance in 2012 with an increase of 11.7mn customers
- SRI now represents 4% of 3rd party investments, AuM greatly increased due to the inclusion of PIMCO SRI in reporting

Investments renewable energy [EUR bn]



Investments SRI funds [EUR bn]¹



Own investments

- Renewable energy portfolio includes over 40 wind and solar parks in Europe, further expansion planned

1) Data not comparable due to the inclusion of Pimco in 2012

Environmental

Reducing our environmental impact is one pillar of our climate change strategy

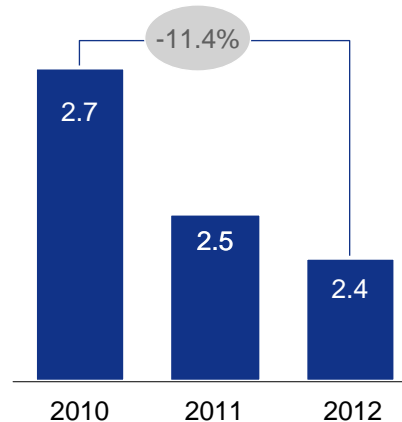
Carbon footprint

- 36% reduction of CO₂ per employee since 2006
- CO₂ reduction driven by lower carbon intensity of paper and energy and reduction km travelled
- Allianz carbon neutral since 2012, 175,000 credits from own projects, remaining footprint neutralized by credits from the carbon market

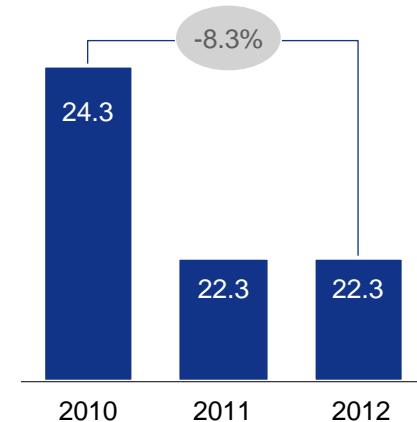
Key figures

- New energy target: -10% from 2010 levels by 2015
- Energy from renewable sources accounts for 45% of total energy consumption
- Share of recycled paper: 40%; share of FSC¹ paper: 33%
- Environmental management system covers over 80% of employees worldwide

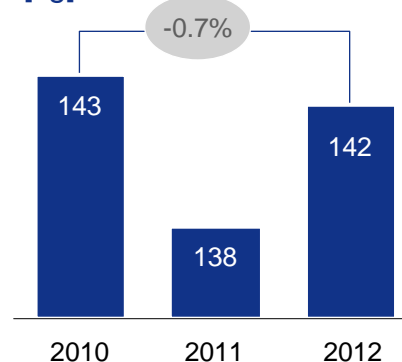
CO₂ emissions per employee [metric tonnes]



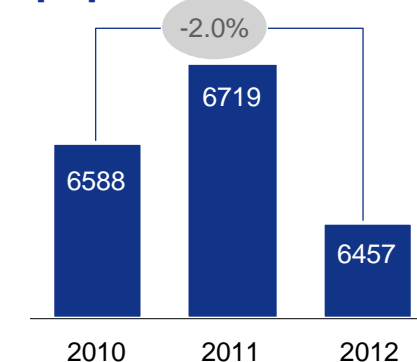
Energy consumption per employee [GJ]



Paper consumption per employee [kg]



Business travel per employee [km]



Social

Focus on people – enhancing diversity, skills, engagement & helping local communities

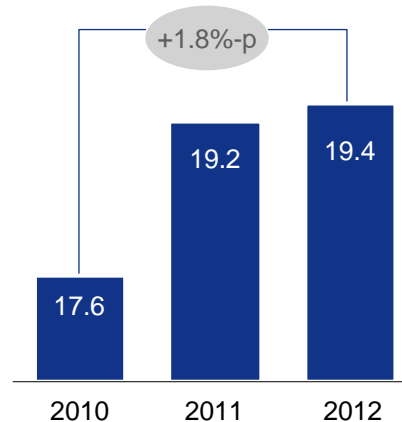
Employees

- 144,094 employees globally, of which 52% are female and 48% male, 77% are located in Europe
- Increasing share of females managers and women in executive positions
- Intensified trainings: 64% of employees and 70% of managers underwent at least one training session

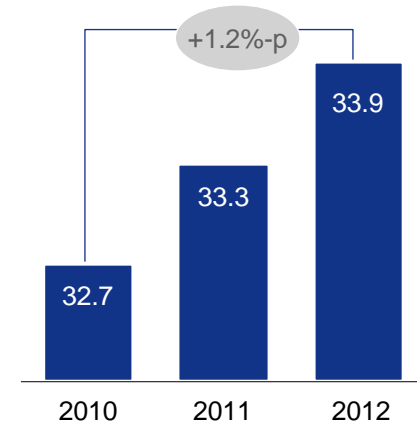
Corporate citizenship

- EUR 20mn donated for social, cultural and environmental issues
- Financial literacy program reached more than 100,000 pupils in Germany in 2012
- 49 employees from 19 different Allianz subsidiaries volunteered for social OPEX and supported 16 projects / social organizations

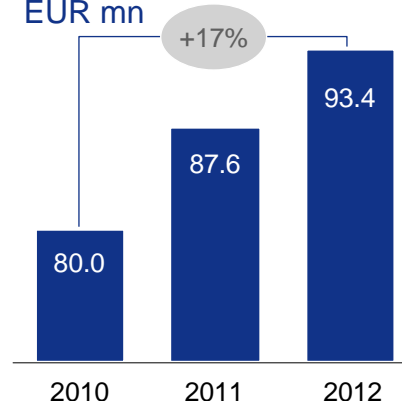
Women in executive positions¹
% of total



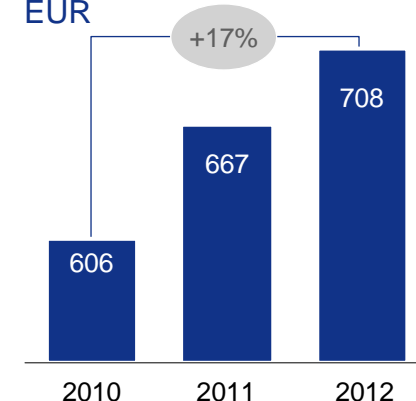
Female managers²
% of total



Training expenses
EUR mn



Training expenses per employee
EUR



1) Women at all executive positions below the Board of Management

2) Women functionally responsible for other staff, regardless of level, e.g. division, department and team managers

Pursuing highest corporate governance standards

ESG governance

- Establishment of the environmental, social, and governance (ESG) Board in 2012 consisting of 3 Board members to further strengthen the integration of environmental, social and governance issues in insurance and investment activities
- The ESG Board holds responsibility for further driving our strategic framework, and defining policies and minimum standards across the Group

Political engagement

- Transparency on donations to political parties
- Commitment to collaborate on sustainability issues: Allianz Forum in Berlin hosted over 50 events in 2012 with a total of over 6,000 people attending

Compliance management

- The implementation and maintenance of the Allianz anti-corruption program, which is compulsory for all employees, continued in 2012. Employee training sessions were held worldwide in classrooms and online in more than 20 languages.
- A Group-wide compliance quality assurance program was rolled out in 2012, which verifies the implementation and effectiveness of the Allianz compliance management system across the Group, including the anti-corruption program
- Allianz is recognized as being one of the world's most transparent multinational companies. In the 2012 Transparency International corporate reporting ranking, we came 10th out of the 105 largest publicly-listed companies

Allianz' sustainability performance continually recognized – all aspects presented in the annual & sustainability reports



Dow Jones Sustainability Indexes
Member 2012/13



ROBECOSAM
Sustainability Award
Silver Class 2013



FTSE4Good



- Included since 2000
- Recognized as leader in several areas, e.g., brand management, risk detection, access to finance
- Global #2 2008-2012; RobecoSAM silver class

- Included since 2001, one of the longest-standing FTSE4Good companies
- Special recognition for Allianz's code of ethics and excellent environmental policy

- Allianz rated best in class ("prime status")
- Allianz received particularly high scores for environmental management, eco-efficiency, corporate governance and business ethics


- Founding signatory (2002) and member since 2009
- Global insurance sector leader and 8th overall in 2012 ranking; inclusion in the global carbon disclosure & performance leadership indices

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Economic

A growing range of “green” products and services

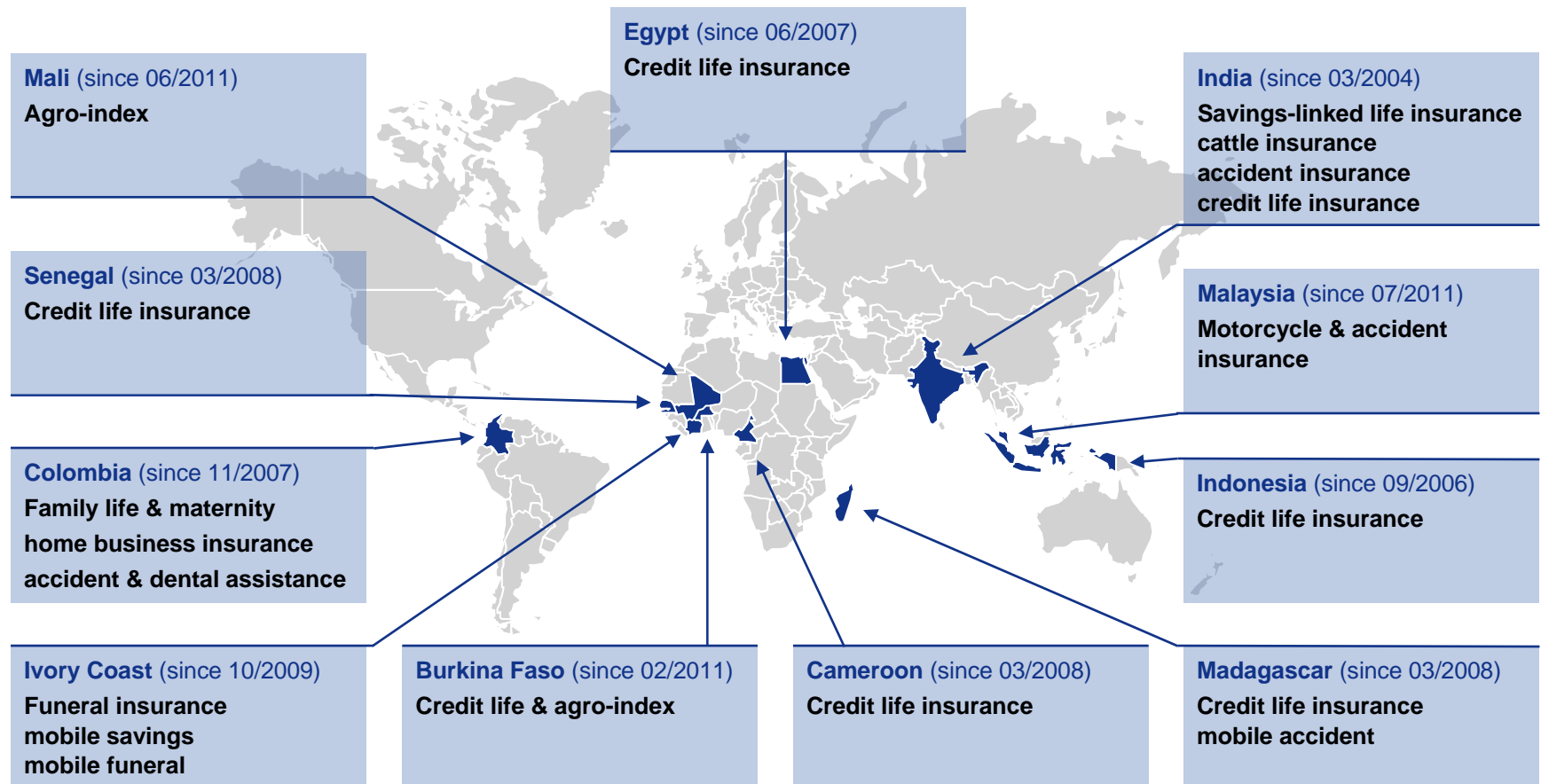
- 
- We are offering and working on developing new products and services for our customers to help them mitigate the effects of climate change and manage their own environmental impact, e.g., Allianz RCM Global EcoTrends Fund, Smart Repair
 - In 2012, the number of “green” products and services offered by Allianz increased to over 130

Expanding the renewable energy portfolio

- EUR 1.3bn investments in renewable energy projects in 2012 including over 40 wind and solar parks in Europe
- Purchase of 4 wind parks in Germany and France in 2012
- Further investments planned on an opportunistic basis

Economic

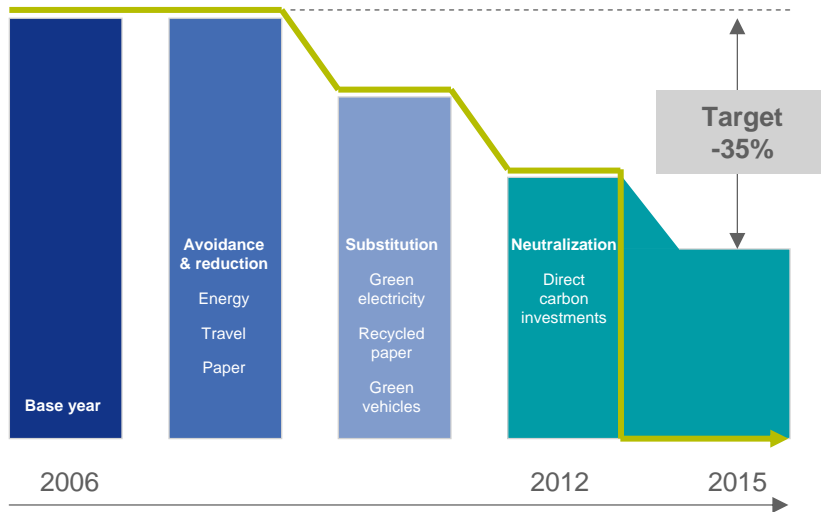
Offering microinsurance to more than 17mn customers generating revenues of EUR 79mn



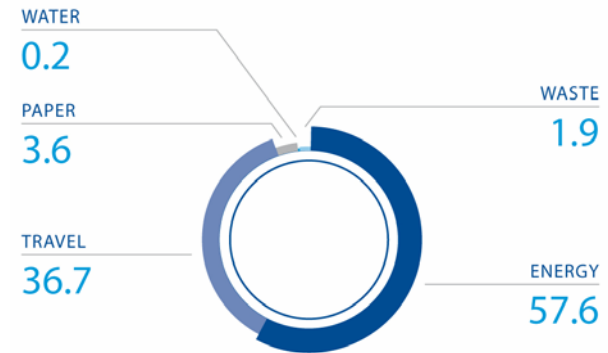
Environmental Reducing CO₂ in internal operations and achieving carbon neutrality

Carbon reduction strategy is based on the following levers: first to avoid and reduce emissions, second to substitute lower-carbon alternatives, and finally to neutralize remaining emissions through direct investment in carbon projects

Three levers of our carbon reduction strategy

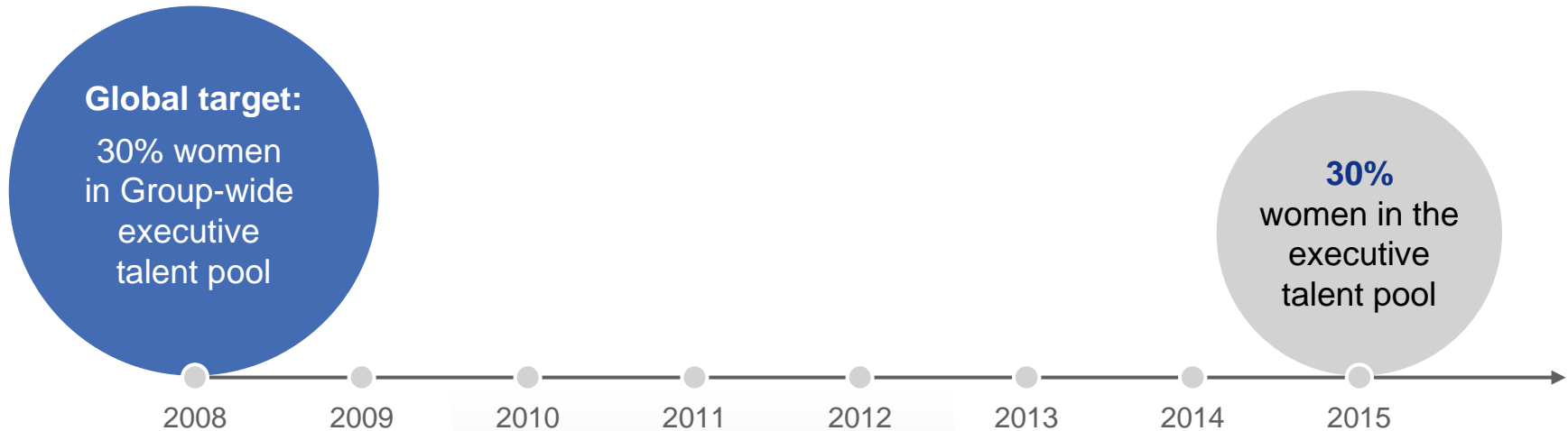


CO₂ footprint



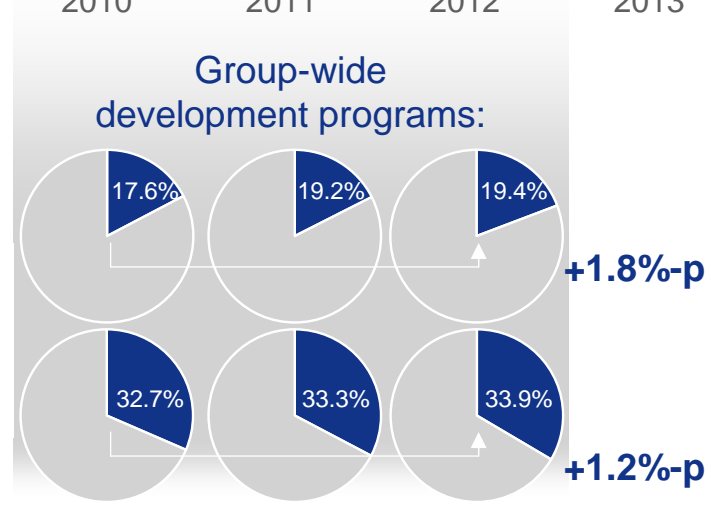
Social

Employee diversity: more women in leadership positions



Women in executive positions¹

Female managers²



Today

- 34% of all management positions
- 19% in executive positions

1) Including women at all executive positions below the Board of Management.
 2) Including women functionally responsible for other staff, regardless of level, e.g. division, department and team managers.

Employee engagement: engaging our employees for the community's benefit



- We support and encourage volunteering among our employees, and the use of their expertise and competencies for the community's benefit
- In the **social OPEX** initiative, trained Allianz employees apply business improvement tools to help socially committed organizations
- Their involvement contributes to pride and identify with our company, building skills and team development

Community investment: structured involvement in the communities where we operate

- Through structured involvement with strategic partners in the communities where we operate, we support the development of effective solutions to address social concerns
- In 2009, we launched the initiative **My Finance Coach** to take finance into schools; in 2012 we reached over 100,000 pupils across Germany and over 3,000 in Argentina, Indonesia, Malaysia and Thailand
- Familiarizing young people with financial issues will help them to make better financial decisions now and in future



Government and international organizations: sharing knowledge and shaping the discussion

- We actively participate in international working groups for climate change, asset management and insurance, as part of the UNEP finance initiative
- Allianz promotes dialogue between the worlds of business, academia, politics and civil society through the Allianz Forum in Berlin
- A globally-acting, central department provides political issue management and government relations expertise for the Group

Disclaimer

These assessments are, as always, subject to the disclaimer provided below.

Forward-looking statements

The statements contained herein may include prospects, statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those expressed or implied in such forward-looking statements.

Such deviations may arise due to, without limitation, (i) changes of the general economic conditions and competitive situation, particularly in the Allianz Group's core business and core markets, (ii) performance of financial markets (particularly market volatility, liquidity and credit events) (iii) frequency and severity of insured loss events, including from natural catastrophes, and the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) particularly in the banking business, the

extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the Euro/U.S. Dollar exchange rate, (ix) changes in laws and regulations, including tax regulations, (x) the impact of acquisitions, including related integration issues, and reorganization measures, and (xi) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences.

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